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RECENT DEVELOPMENT IN TRADE RELATIONS
BETWEEN EGYPT AND THE SOVIET BLOC

DEPARTMENT OF STATE



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Abstract

The Sino-Soviet bloc has accelerated its economic activity in Egypt during the past two years, which has included new trade agreements, an increased number of foreign trade exhibitions and expanded commercial representation. Heightened bloc interest in Egyptian cotton, the country's chief export, coupled with a decreasing world demand, has resulted in sharply increased Egyptian-Sino-Soviet bloc trade in 1955.

Although cotton production is rising in the USSR, there have been substantial bloc imports of Egyptian cotton since World War II. There appears to be no serious economic obstacle to the maintenance or even increase of the present level of trade if bloc policies are in favor of it. Egypt is a potentially large market for many types of bloc goods, including arms and capital equipment. At least part of the basis for present activity may be ascribed to political considerations, in line with current bloc emphasis on trade with underdeveloped countries, particularly those harassed by surplus problems. There has been evidence of increasing Soviet exports of cotton to non-bloc countries in 1955, while satellite imports from Egypt have increased.

The current high level of Egyptian trade with the bloc -- almost 30 percent of Egypt's 1955 cotton exports were purchased by the bloc -- may result in increasing Egyptian economic dependence on bloc markets. Economic policies being pursued by the bloc in Egypt are closely related to over-all efforts of the bloc to exert its influence in the Near East.

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RECENT DEVELOPMENTS IN TRADE RELATIONS BETWEEN EGYPT
AND THE SOVIET BLOCI. GENERAL

The USSR is engaged in an intensive campaign to further its political interests among Arab and Asian nations. Moves in commercial and related spheres have figured more and more prominently in this campaign. In the Near East, Egypt, the leading opponent of Western-sponsored military alliances, has been the focus of these moves.

The most significant recent move was the signing of the Egyptian-Czechoslovak arms agreement on September 21. Under this agreement, concluded after several Soviet overtures had been made to Egypt, Czechoslovakia appears actually to be serving as a front for the USSR. The agreement, covering a five-year period, already appears to be in the process of implementation. Egypt is to receive arms in return for cotton and rice. Reports received in October and November 1955 indicate that current Egyptian arms purchases under this pact from the bloc may be between \$86 and \$140 million. In addition, the USSR, either directly or through one of its satellites, is reported to have made offers of arms to other Near Eastern countries, including Saudi Arabia and possibly Syria. The Sudanese are also reported to have expressed interest in obtaining bloc arms.

The USSR has also indicated it is prepared to give economic assistance to the area. Last October the Soviet Ambassador to Egypt told the Egyptian press the USSR was prepared to assist Arab nations in their development projects. This was the USSR's first such public offer, though it had approached the Arabs confidentially in the past. Shortly after this announcement, the Egyptian Ambassador in Washington said the USSR had renewed its offer to assist Egypt in the construction of the High Aswan Dam, indicating that it was prepared to make Egypt a 30-year (later reported to have been extended to 50-year) loan at 2 percent interest, payable in cotton and rice.¹ The amount of the loan was not specified in

1. On October 29, 1955, Premier Nasser reportedly rejected this offer. On December 17, 1955, the Department of State announced that the US and the UK had agreed to make available \$70 million to begin construction of the dam. They assured the Egyptians of additional financial support in the later stages of construction but made no specific long-range commitment. Assistance from the International Bank of Reconstruction and Development, amounting to some \$200 million is planned at a later stage to carry through the project. The Egyptian Government has not yet accepted the Western offers and has objected to a number of conditions attached to them. These include a commitment that all contracts will be let on a competitive basis and that Egypt will concentrate its internal resources on the project, while taking measures to avoid inflation.

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the offer; it might be as large as \$275 million if it were to cover the cost of necessary equipment.¹ The USSR was first reported to have offered to assist Egypt in the construction of the High Aswan Dam early in 1954, in a confidential approach to the Egyptian economic mission which was visiting Moscow at that time.

In addition to the USSR, a number of other bloc countries, including East Germany, Czechoslovakia, Poland and Hungary, have made offers of capital assistance to Egypt. Similarly, bloc countries have made technical or capital assistance offers to other Near Eastern states, including Turkey, Syria, Lebanon, Israel, Jordan, Saudi Arabia, Yemen, and the Sudan. In a few instances these have reportedly resulted in contracts for export of bloc capital goods, in some cases on credit, but the over-all value of such contracts is not known.

The above developments serve to dramatize a gradual build-up of bloc commercial and related activity in Egypt over the last two years. In this period the bloc countries have concluded new trade agreements with Egypt, staged a large number of trade exhibits, and expanded their trade representation. Before describing these developments in detail, however, it might be well to point up some of the political and propaganda aspects of extended commercial relations.

In addition to facilitating commercial exchange, trade agreements have propaganda value. Bloc propagandists can publicize these agreements, citing them as evidence of bloc peaceful intentions and eagerness to trade. In the past these aspects of trade have been exploited even though impressively large commitments in bloc trade agreements have often gone unfulfilled. With the exception of the East-German agreement of 1953, no Egyptian-Soviet bloc trade agreements prior to 1955 had specific trade commitments. The fact that much of Egyptian-Soviet bloc trade has been carried on under large-scale barter transactions indicates that formal trade agreements are often intended to serve some other function than a purely commercial one.

Trade exhibits are also a useful propaganda vehicle. The East German exhibit at Cairo in 1954 is a case in point. The walls of the East German pavillion were covered with large photographs of happy German workers at play and at work. Many of the photographs belonged to the Communist "culture" category, showing schools, sports events, mass exercises, hospitals for children, etc. This, together with elaborate displays of machinery, medical equipment, and consumers' goods, was calculated to give the impression that all was "sweetness and light" in Communist-governed East Germany.

1. After this report was prepared, it was announced that the Soviet offer amounted to \$300 million.

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The establishment of commercial representation in the bloc countries also has non-commercial advantages. The East German Government has used commercial representation as a lever to bargain for diplomatic recognition. Permanent trade offices, like trade fairs, bring into a country large numbers of bloc personnel; there are indications that some of these people have intelligence functions and that they attempt to make contacts with local groups to influence their political orientation.

These economic moves form part of an over-all pattern of current efforts by the Soviet bloc to increase its influence in the Near East. The purpose of this attempt is thought to be primarily that of inducing neutralist attitudes in the cold war, partly by offering pecuniary advantages to the neutralist countries, partly by moves to assist in the propaganda campaign portraying the Soviet Union as the friend of "peace," economic development, and national independence.

A. Trade Agreements

There has been a sharp rise in Soviet bloc activity in Egypt with respect to trade agreements since 1954 (see Table 1). The USSR, Rumania, and Communist China signed their first postwar trade agreements with Egypt in the 1954-55 period. Czechoslovakia and Poland signed annual trade agreements with Egypt in 1955, replacing previous trade pacts. In addition, Egypt concluded a three-year trade agreement with Czechoslovakia in July 1955, applying only to Egyptian state purchases and sales. East Germany reportedly renewed, with some amendments, its 1953 annual trade agreement with Egypt through 1956 and concluded a three-year trade pact in November, presumably of the same type as that signed with Czechoslovakia.

The current pacts appear to facilitate an expansion in trade. The agreement with Communist China includes quotas for trade in both directions valued at \$57.4 million in the first year (1955-56), and the three-year agreements with Czechoslovakia and East Germany provide for annual trade of \$14.4 million and \$17.2 - \$34.4 million respectively. The total figure of \$89.0 - \$106.2 million compares with actual Egyptian trade of \$40.9 million with these three countries in 1954. In addition, the official estimated annual value of trade in both directions under the Soviet-Egyptian and Rumanian-Egyptian agreements totals about \$45.7 million, as compared to Egyptian trade with these countries in 1954 of

1. The texts of these agreements include neither commodity quotas nor other trade commitments, and these estimates of value are consequently less meaningful than those mention in the preceding sentence.

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4. TRADE AGREEMENTS

Table 1. TRADE AGREEMENTS BETWEEN EGYPT AND SOVIET BLOC COUNTRIES^a

Bloc country	Effective date and period of validity	Type of agreement	Remarks
Bulgaria	April 6, 1950 - April 5, 1951	Trade and payments	Annual tacit renewal. No report of renewal since 1954. Presumably still in effect.
Communist China	Signed August 22, 1955 (3 years)	Trade	Renewal by negotiation 3 months prior to expiration.
Czechoslovakia	October 24, 1951 - October 23, 1952	Trade and payments	Annual tacit renewal.
	July 19, 1955 - July 31, 1956	Trade and payments	Annual tacit renewal.
	July 19, 1955 - July 31, 1958	Applies only to Gov't purchases	Tacit renewal for 3-year periods.
East Germany	March 7, 1953 - March 6, 1954	Trade and payments	Annual tacit renewal. Reported renewal through December 31, 1956.
	January 1, 1956 - December 31, 1959	Presumably applies only to gov't purchases	Renewal provision not known.
Hungary	February 26, 1949 - February 25, 1950	Trade and payments	Annual tacit renewal. Reported in effect in 1955. Presumably still in effect.
Poland	July 1, 1949 - January 30, 1950	Trade and payments	Renewal by negotiation prior to expiration. Successive extension through February 29, 1951 reported.
	January 1, 1951 - December 31, 1951	Trade and payments	Renewal by negotiation prior to expiration.
	April 1, 1955 - March 31, 1956	Trade and payments	Annual tacit renewal.

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Table 1. TRADE AGREEMENTS BETWEEN EGYPT AND SOVIET BLOC COUNTRIES
(Continued)

Bloc country	Effective date and period of validity	Type of agreement	Remarks
Rumania	January 18, 1954- January 17, 1955	Trade and payments	Annual tacit renewal. No renewal reported. Presumably renewed at least through January 17, 1956.
USSR	August 18, 1953- August 17, 1954	Payments	Annual tacit renewal. Last reported renewal through August 17, 1955. Presumably still in effect.
	March 27, 1954- March 26, 1955	Trade	Annual tacit renewal. Renewal through March 26, 1956 reported.

- a. Payments agreements were signed along with all trade agreements discussed here, with the exception of the Soviet-Egyptian, the Sino-Egyptian, the long-term Czechoslovak-Egyptian, and possibly the long-term East German-Egyptian agreements. A Soviet-Egyptian payments agreement, which regulates payments under the 1954 trade agreement, was signed on August 18, 1953. There is no Sino-Egyptian payments agreement. The annual Czechoslovak-Egyptian payments agreement of July 19, 1955 regulates payments under the long-term as well as the annual agreement. It is possible that the annual East German-Egyptian payments agreement of March 7, 1953, which was reported renewed on November 10, 1955, also regulates payments under the long-term agreement.

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\$24.6 million. As noted earlier, however, bloc trade commitments and official estimates have often gone unfulfilled. For example, the value of Soviet and Rumanian trade with Egypt in 1954 was a little over half that anticipated under the agreements, and Soviet-Egyptian trade actually fell below the level existing before the agreement was signed.

The 1955 agreement with Poland and the annual agreements with Czechoslovakia and East Germany also aim at increased trade, though the amount cannot be shown in the absence of commodity quotas. These agreements contain expanded lists of commodities to be exchanged and provide for larger swing credits than earlier agreements. The annual Czechoslovak agreement gives explicit approval for triangular and multilateral transactions after authorization in each case. Under the three-year Czechoslovak agreement, the Czechoslovak Government is to arrange to put into operation machinery and equipment purchased under the agreement and, if necessary, to undertake the training of expert personnel in its operation.

The 1955 agreements are notable for the inclusion of many more capital items in the lists of bloc exports than in the past. These items are particularly prominent in the annual Polish agreement and the three-year Czechoslovak and East German agreements. Certain bloc countries, such as Czechoslovakia, appear to be making a determined effort to underbid Western companies in the supply of capital equipment to Egypt. Under the first protocol to the Sino-Egyptian agreement, Communist China is to export, among other things, 60,000 metric tons of steel (reported to be of European origin, acquired by the Chinese Communist trade mission in East Germany). Should the bloc follow through on 1955 commitments, the importance of capital items in Egyptian imports would increase substantially; previous imports from the bloc were negligible. Large Egyptian imports of bloc capital might have far-reaching implications for Egyptian economic and political orientation as between East and West.

All Egyptian-Soviet bloc payments agreements provide that accounts be kept in Egyptian pounds at the National Bank of Egypt. This contrasts with the bilateral arrangements customary between free world and bloc countries, which provide for reciprocal clearing between the central banks of both trading partners. All payments agreements, except that with Bulgaria, provide for swing limits of a varying amount.

Some of the more recent agreements (the Polish, Soviet, and Rumanian) call for settlement upon expiration of the agreement in goods or services only, while most of the earlier agreements called for settlement in goods or sterling, or sterling only. The initiative for this change appears to have come from the bloc; it may reflect bloc efforts to conserve sterling and to increase Egyptian dependence on bloc supplies by stimulating the imports needed to balance traditional export surpluses to the bloc. As indicated in Table 2, the bloc has had large import

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balances in its trade with Egypt in the postwar period; these have undoubtedly been a drain on bloc sterling.

The annual Czechoslovak-Egyptian agreement signed in July 1955 extended the period during which final settlement could be made in goods from three months to one year, thus permitting a more substantial extension of credit to the debtor country.

B. Trade Exhibits

Over the last two years the bloc countries have staged a larger number of trade exhibits in Egypt than in the past. No exhibits were reported in 1952; in 1953 one Czechoslovak exhibit was reported; in 1954 five exhibits were staged, two by Rumania, one by Czechoslovakia, one by East Germany, and one by Hungary. In 1955, Czechoslovakia, Communist China, the USSR, and Bulgaria are reported to have staged exhibits; all of these have been individual national exhibits, with only one country exhibiting.

C. Permanent Trade Representation

The Soviet bloc expanded the number of its permanent trade offices in Egypt during 1954-1955. East Germany established a permanent trade mission in Cairo early in 1954. Bulgaria posted its first trade representative to Alexandria in 1954. Czechoslovakia opened a permanent trade office in Cairo in 1955. The Sino-Egyptian trade agreement of August 22, 1955 provided for the exchange of permanent trade missions between the two countries.

In the light of this increased Soviet bloc activity in Egypt, it is of interest to see what has happened to actual Egyptian-Soviet bloc trade in the 1954-55 period.

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Table 2. EGYPT'S TRADE WITH THE SOVIET BLOC, 1936-38, 1947-54,
JANUARY-NOVEMBER 1954 AND JANUARY-NOVEMBER 1955

(In thousands of US dollars)

Year or period	Imports from bloc	Exports to bloc	Total trade turnover	Trade balance ^a
1936	16,689	15,505	32,194	- 1,184
1937	21,288	19,108	40,396	- 2,180
1938	17,307	14,063	31,370	- 3,244
1947	17,300	23,193	40,493	5,893
1948	63,932	71,535	135,467	7,603
1949	17,533	59,145	76,678	41,612
1950	32,541	47,054	79,595	14,513
1951	43,193	54,877	98,070	11,684
1952	46,313	72,952	119,265	36,207
1953	38,628	48,240	86,868	9,612
1954	26,946	56,284	83,230	29,338
Jan.-Nov. 1954	23,484	45,575	69,059	22,091
Jan.-Nov. 1955	30,628	85,067	115,695	54,439

a. Minus sign signifies import deficit.

Source: Prewar data from Egyptian Ministry of Finance, Statistical Department, Annual Statement of Foreign Trade, 1938, Vol. 2, Tables V, VI, and VII; values converted into US dollars at the following end-of-year quotations for the Egyptian pound; 1936, \$5.03; 1937, \$5.12; 1938, \$4.76. Prewar data relate to trade with the present Soviet bloc countries (not adjusted for boundary changes), plus trade with Estonia, Latvia, and Lithuania. Postwar data, except for 1955, from Department of Commerce, BFC. East Germany is not separately distinguished prior to 1952. 1955 data from D-701, Cairo, December 28, 1955, UNCLASSIFIED.

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Table 3. EGYPT'S TRADE WITH THE SOVIET BLOC: INDICES OF VOLUME a/
(1938 = 100)

Year	Imports from bloc	Exports to bloc	Terms of trade total trade of Egypt <u>b/</u>
1938	100	100	100
1947	40	67	97
1948	140	135	144
1949	43	136	128
1950	99	111	163
1951	116	82	227
1952	107	143	145
1953	76	99	110
1954	67	133	129
Average 1948-54	93	120	129 <u>c/</u>
Jan.-Nov. 1955 <u>d/</u>	78	183	146

a/ Calculated from values of imports and exports in Egyptian pounds, deflated by unit value indices for total imports and exports given in International Monetary Fund, International Financial Statistics.

b/ Ratio of unit value of exports to unit value of imports.

c/ Ratio of average volume of exports, 1948-54, to average imports, and not a numerical average of annual terms of trade figures (which would be 149).

d/ Figures for Jan.-Nov., 1955 are rough estimates, but are believed to be generally correct. In the absence of a unit value index for Egyptian exports in 1955, export values were deflated by the index of Egyptian cotton export prices given in International Financial Statistics, January, 1956. The import values were deflated by a weighted average of the export price indices for the United Kingdom (first 9 months of 1955), France (first 9 months of 1955), Germany (first 10 months of 1955) and Italy (first 9 months of 1955), given in International Financial Statistics, January, 1956. Values for these countries were weighted according to their relative importance in Egyptian imports.

Source: Egyptian trade statistics, International Financial Statistics.

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II. RECENT TRENDS IN TRADE OF EGYPT WITH THE BLOC

A. Level of Trade

The value of Egyptian exports to the bloc in the first 11 months of 1955 exceeded the value of these exports in any postwar year (see Table 2). In terms of value these exports were 17 percent higher than the previous postwar peak in 1952; in terms of volume, they were about 28 percent higher, since prices of Egyptian exports (mainly cotton) were lower in 1955 than in 1952 (see Table 3). In 1954 exports had risen above the 1953 level, but the increase was much less than in 1955.

The value of Egyptian exports to the bloc accounted for 24.8 percent of total Egyptian exports in the first 11 months of 1955, while in the corresponding period of 1954 Egyptian exports to the bloc accounted for only 12.8 percent of total exports (see Table 4).

The value and volume of Egyptian imports from the bloc in 1955 rose above the 1954 level, but much less sharply than exports and remained well below the postwar peak in 1948. As a result, Egypt had a surplus of about \$54 million with the bloc during the first 11 months of 1955, compared with \$22 million in 1954. It is possible that Egypt will use at least part of this surplus in payment for bloc arms. During 1954 imports had decreased below the 1953 level.

The value of Egyptian imports from the bloc accounted for 6.6 percent of total Egyptian imports in the first 11 months of 1955, a slight increase over the 5.8 value in 1954.

B. Composition of Trade

1. Exports. Egypt's exports to the bloc are largely concentrated in raw cotton. Cotton represents over 90 percent of the value of all Egyptian exports to the bloc in postwar years. Preliminary data indicate that it reached a postwar peak in 1955, about 50 percent higher by tonnage than the 1948-54 average (see Table 5).

In 1954 and 1955, however, Egyptian exports to the bloc were somewhat more diversified than in the past. Whereas raw cotton accounted for 99 percent of the total value of Egyptian exports to the bloc in 1953, in 1954 it accounted for only 90 percent. Complete data for 1955 are not yet available, but indications are that exports of products other than raw cotton were sizeable.

Cotton yarn emerged as the second most important Egyptian export to the bloc (primarily to Rumania) in 1954. It will probably continue

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Table 4. EGYPT'S TRADE WITH THE SOVIET BLOC, 1936-38, 1947-54,
JANUARY-NOVEMBER 1954, AND JANUARY-NOVEMBER 1955

(As percentages of total Egyptian imports and exports)

Year or period	Imports from bloc as % of total imports	Exports to bloc as % of total exports
1936	10.5	9.1
1937	10.9	9.2
1938	9.8	9.8
1947	4.0	6.2
1948	8.9	12.1
1949	2.6	11.2
1950	5.3	9.3
1951	5.4	19.4
1952	7.4	17.5
1953	7.7	12.2
1954	5.9	14.3
Jan.-Nov. 1954	5.8	12.8
Jan.-Nov. 1955	6.6	24.8

Source: Same as Table 2.

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Table 5. EXPORT OF COTTON FROM EGYPT, 1938, 1946-54,
JANUARY-DECEMBER 21, 1955

(Quantities in metric tons)

Year	Total cotton exports	Index of volume ^a (1938=100)	Exports to bloc	Index of volume ^b (1938=100)	Exports to bloc as % of total exports
1938	356,124	100	46,605	100	13.1
1946	256,568	72	9,704	21	3.8
1947	335,581	94	26,060	57	7.8
1948	344,531	97	69,813	150	20.3
1949	358,472	101	57,555	123	16.1
1950	386,457	109	43,167	93	11.2
1951	254,923	72	27,722	59	10.9
1952	270,392	76	49,252	106	18.2
1953	346,457	98	46,146	99	13.1
1954	287,678	82	43,577	94	15.1
Average 1948-54	321,273	91	48,176	103	15.0
Jan.-Dec. 21, 1955 (Preliminary)	248,250	-	72,241	155	29.1

a. Index is weighted by proportions of total value accounted for by types of cotton, on a moving cross weights basis. Given in International Monetary Fund, International Financial Statistics.

b. Unweighted index of quantities shown under exports to Soviet bloc.

Source: Egyptian trade statistics for 1938 and 1946-51; quantities for total exports and exports to the bloc, given in qantars (Egyptian measure), converted to metric tons on the basis of 99.048 lbs. per qantar. Data for 1952-54 from Department of Commerce Statistics, BFC. Data for 1955 from International Cotton Advisory Committee.

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to be important in 1955. Egyptian exports of raw flax, phosphate of lime, copper, and peanuts also increased in 1954.

In the first 10 months of 1955 the European bloc contracted to purchase well over 75,000 metric tons of Egyptian rice, suggesting that in 1955-56 rice will be an important export to the bloc. Bumper Egyptian rice crops in 1954 and 1955 have been a factor in the sudden rise in these bloc contracts. Except in 1952, Egypt has had no significant export surplus in the postwar period. Its largest postwar exports of rice to the bloc occurred in 1952, when it shipped some 12,000 metric tons to the USSR.

2. Imports. There were a number of significant changes in the composition of Egyptian imports from the bloc in 1954 (see Table 6). Changes paralleled closely those in over-all free world imports from the bloc. Most striking was the complete cessation of wheat imports. Until 1954, wheat had accounted for the bulk of Egyptian imports from the bloc in the postwar period. Egypt experienced a record wheat harvest in 1954-55 (almost eliminating the necessity to import), while the bloc reduced its wheat exports to a number of free world countries. Indications are that Egypt will have a substantial wheat deficit in 1955-56 (over 300,000 metric tons), and quite possibly in subsequent years, so that wheat may re-appear as an important Egyptian import from the bloc. Communist China reportedly offered to meet Egypt's 1955-56 wheat deficit. (This offer has not, as yet, been accepted. The Egyptian Government has been informed that the US is prepared to act on the immediate Egyptian requirement of 80,000 metric tons and to give sympathetic consideration to the balance of Egypt's 1955-56 needs.)

The cessation of Egyptian wheat imports from the bloc was partially offset by the resumption of petroleum imports in 1954. In 1938 one-third of the total value of Egyptian imports from the bloc area was petroleum products. Egypt imported no bloc petroleum in the postwar period, however, with the exception of small quantities shipped by Rumania in 1951 and 1952. Though substantial, Egyptian imports of bloc petroleum in 1954 (primarily from the USSR) accounted for only 8 percent of the value of total Egyptian petroleum imports. In 1938 petroleum imports from the bloc (primarily from Rumania) had accounted for about 55 percent of total petroleum imports.

Egypt imported some bloc coal in the first six months of 1955 for the first time in several years. It came entirely from the USSR. The Egyptian government is currently reported to be considering a Polish offer to exchange about \$5 million worth of coal for cotton.

Egyptian imports of bloc machinery, transport equipment, and manufactures of metals rose in 1954, but remained a very small percentage of

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Table 6. COMMODITY DISTRIBUTION OF EGYPT'S IMPORTS FROM
THE SOVIET BLOC, 1938, 1948, 1952-54

(As percentages of total value of imports into Egypt except as noted)

Item	1938	1948	1952	1953	1954
Total imports (thousands of dollars)	17,307	63,932	46,313	38,628	26,946
Total listed below	15,455	57,986	43,997	35,422	21,714
Percentages of total values	89.3	90.7	95.0	91.7	80.6 ^a
Petroleum products	31.5	--	--	--	14.5
Wheat	--	65.4	67.5	42.3	--
Cheese	2.0	b/	b/	b/	0.3
Beet sugar	--	--	b/	7.6	7.7
Tobacco	4.4	4.0	2.2	2.2	3.8
Coal	3.4	0.6	--	--	--
Timber, wood and wood manufactures	21.8	8.8	11.1	20.7	31.2
Paper and board, etc.	2.1	0.9	0.9	2.8	5.3
Nitrate of ammonia	2.2	--	0.3	--	--
Natural raw silk yarn	1.7	b/	b/	b/	0.8
Cotton piece goods	6.5	1.9	3.5	3.9	1.8
Other textiles and textile manufactures	5.1	3.1	2.1	2.9	3.2
Cottonseed oil	--	--	--	2.9	--
Glass, crystal, and manufactures	0.9	2.0	3.1	3.0	2.8
Manufactures of metal	4.5	2.1	1.1	1.3	3.5
Machinery and equipment, except electrical	--	--	1.5	0.8	2.2
Electrical machinery and equipment	1.9	1.4	0.5	0.7	0.9
Railroad equipment	1.2	--	0.6	0.3	1.3
Automotive vehicles and equipment	0.1	0.5	0.6	0.3	1.3

a. Department of Commerce statistics for 1954 include a large unspecified category ("2.9 million, 10.8 % of imports); for this reason, imports listed represent a smaller percentage of total imports in 1954 than in preceeding years.

b. Less than 0.05 percent.

Sources: Egyptian trade statistics for 1938 and 1948; Department of Commerce statistics, BEC, for 1952-54.

Table 7. EGYPT'S TRADE WITH INDIVIDUAL BLOC COUNTRIES, 1936-38 (AVERAGE),
1947-54 (ANNUAL), JANUARY-NOVEMBER/AND JANUARY-NOVEMBER 1955
(In thousands of US dollars)

Year or period	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania	USSR	China
Egyptian Imports									
1936-38	3	967	3,048	n a	2,721	1,641	6,637	2,615 ^a	795
1947	b/	425	8,111	n a	216	182	393	6,207	1,766
1948	b/	1,951	9,409	n a	2,429	1,018	2,151	46,207	767
1949	0	1,099	6,161	n a	2,555	1,028	3,547	2,409	711
1950	b/	189	7,881	n a	3,595	1,336	2,397	16,843	900
1951	0	132	6,035	n a	5,260	1,580	9,048	20,277	861
1952	b/	96	7,456	130	2,908	1,192	2,708	31,132	691
1953	0	2,310	9,358	168	3,184	5,803	3,007	14,133	665
1954	0	250	7,853	1,413	3,662	1,353	4,979	6,650	786
Jan.-Nov. 1954	0	237	7,199	1,377	3,553	1,255	4,480	4,678	705
Jan.-Nov. 1955	0	449	9,826	2,156	1,359	1,165	9,303	5,502	868
Egyptian Exports									
1936-38	58	125	5,546	n a	1,215	2,861	4,566	546 ^a	1,307
1947	b/	65	17,083	n a	2,209	2,738	18	11	1,066
1948	b/	862	14,116	n a	4,290	1,447	949	49,868	3
1949	b/	403	22,052	n a	4,648	12,805	4,958	14,094	184
1950	b/	3	11,443	n a	3,172	2,785	896	25,231	3,524
1951	b/	83	27,354	n a	6,072	3,222	9,933	7,222	991
1952	b/	1,373	20,539	266	6,232	5,445	1,383	28,791	8,923
1953	b/	1,895	9,544	3,111	5,618	4,214	1,557	11,897	10,400
1954	0	280	17,332	2,108	5,261	6,879	7,663	5,373	11,389
Jan.-Nov. 1954	0	282	15,532	2,102	4,490	6,638	5,142	0	11,389
Jan.-Nov. 1955	b/	231	18,063	3,998	9,770	6,474	9,027	14,423	23,080

n a Not available.
b. Including trade of Estonia, Latvia, and Lithuania.
b. Less than \$500.
Source: Same as Table 2.

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total imports. While Egyptian imports of metal manufactures, particularly iron and steel, rose sharply in the first six months of 1955, as compared with the same period in 1954, there was a slight drop in imports of machinery and transport equipment. As noted earlier, however, there are many more machinery and transport items in trade agreements concluded in 1955 than in earlier agreements, and certain bloc countries appear to be making a determined effort to underbid Western companies in the supply of these items to Egypt. In 1955 bloc countries contracted to supply Egypt with machinery and transport equipment valued unofficially at more than \$17 million, presumably for delivery during 1956 and 1957. (This equipment includes 93 diesel shunting engines, a power plant and bridges from Hungary, and equipment for ceramics, shoe and rubber factories from Czechoslovakia.) If these commitments are met, machinery and transport equipment will figure much more prominently in Egyptian imports from the bloc in 1956 and 1957 than in the past.

Egyptian imports of bloc timber did not change appreciably in 1954 as compared with 1953. The rise in the percentage share of this item in total imports from the bloc (see Table 6) was due to the 1954 decline in total imports.

C. Geographic Distribution of Trade

Some changes in the geographic distribution of Egyptian exports to the bloc occurred in 1954-55 (see Table 7). Egyptian exports to the USSR fell off sharply in 1954, with the USSR accounting for only 10 percent of the value of total Egyptian exports to the bloc. In most postwar years the USSR has been Egypt's largest market in the bloc, taking on the average 33 percent of total Egyptian exports to the bloc. In the first 11 months of 1955, the USSR's imports rose somewhat, but accounted for only 17 percent of the total. The decline in the importance of the USSR as a market for Egyptian exports (almost entirely cotton) coincided with a sharp rise in Soviet cotton exports to the free world. In 1954 Soviet cotton exports to the free world reached an all-time peak of more than 50,000 metric tons (excluding linter).¹

Communist China's imports from Egypt have been steadily increasing since 1951. In the first 11 months of 1955 Communist China rose from second to first place among the bloc countries in imports from Egypt, taking about 27 percent of the value of total Egyptian exports to the bloc. This rapid rise appears due in part to a drop in domestic cotton production as the result of flood and drought conditions in 1954.

With the exception of Bulgaria and Poland, all bloc countries increased their imports from Egypt in the first 11 months of 1955 as compared with 1954.

1. Data for the first 6 months of 1955 indicate that these exports continue to be sizable.

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In the same period there were changes in the geographic distribution of Egyptian imports from the bloc. Egyptian imports from the USSR fell off sharply. While in the period 1947-53 the USSR supplied on the average over 50 percent of the value of total Egyptian imports from the bloc, in 1954 it supplied only 4 percent and in the first 11 months of 1955 only 18 percent of these imports. This was largely due to the cessation of Soviet wheat exports. The resumption of Soviet petroleum exports to Egypt in 1954 fell far short of offsetting the cessation of wheat exports.

Rumanian exports to Egypt rose in 1954 and 1955. Whereas in the period 1947-53 Rumania accounted for only 9 percent of Egyptian imports from the bloc, in 1954 it accounted for 18 percent and in the first 11 months of 1955 for 30 percent. This increase is due largely to the resumption of Rumanian petroleum exports to Egypt.

Egypt increased its imports from Czechoslovakia, East Germany, and Bulgaria in the first 11 months of 1955, as compared with 1954, while decreasing its imports from Hungary. There was little change in Egypt's imports from Communist China during the first 11 months of 1955, despite the sharp rise in Egyptian exports to that country. Imports from Poland also remained about the same.

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III. FUTURE OF EGYPTIAN-SOVIET BLOC TRADE

Foreign trade operations within the bloc are highly centralized and are a monopoly of the state. Everything done in this field is under direct governmental control. This renders bloc commercial policy highly flexible and sensitive to both political and economic factors. For this reason it may be assumed that bloc policy will be crucial for the future of Egyptian-Soviet bloc trade. In addition, Egypt's dependence on the bloc for markets, particularly when cotton surpluses present a problem, is greater than any bloc reliance on Egypt for supplies.

A. Bloc Demand for Egyptian Exports

Cotton.¹ Bloc cotton production has risen steadily in the post-war period (see Table 8). Although there are widely varying estimates of cotton production in Communist China, all estimates show a considerable increase in output in the last few years as compared to 1949-50. When the Communists came to power in China, output was well below prewar levels. Bloc cotton resources are concentrated almost entirely in the USSR and Communist China. At present levels of consumption, the USSR is able to meet its own needs and, for the most part, those of the European satellites, the major deficit region.

However, rising bloc cotton production does not necessarily preclude maintenance or increase in the level of imports from Egypt. As noted earlier, the USSR has expanded its cotton exports to the free world sharply in the last two years. It is possible that some of this expansion may have been at the expense of deliveries to the European satellites, which obtain the bulk of their cotton supplies from the USSR. Should the USSR continue to expand its exports to the free world, the European satellites may have to obtain a larger share of their raw cotton requirements from free world sources, including Egypt.

Current per capita availabilities of textiles are admittedly unsatisfactory in the USSR and other bloc countries and low by Western European standards. A decision to raise cotton consumption faster than output can be increased within the bloc could conceivably result in increased bloc demand for free world cotton. There are no indications, however, that the bloc countries plan a rapid increase in living standards in the near future. The Soviet Sixth Five-Year Plan calls for a much smaller increase in cotton textile production over the next five years than in raw cotton output. This suggests that a large part of the planned increase in cotton output may be intended for export rather than for domestic consumption.

1. See IR-7106 for further information on this subject.

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Political considerations generally enter into bloc decisions on purchases of free world cotton. There is always the possibility that the bloc may divert its free world purchases of cotton from other countries to Egypt should it consider such a move politically advantageous. Communist China appears to have done this in the second half of 1955, diverting its purchases from Pakistan to Egypt and India. The European bloc appears to have done this in the period 1951-54 (see Table 10). By concentrating free world purchases in Egypt, bloc imports of Egyptian cotton could be maintained or increased, even if total free world purchases declined.

It might also be noted that bloc countries produce relatively small quantities of Egyptian-type cotton, which is distinguished by its length, strength and fineness.¹ Thus increasing bloc production is not necessarily competitive with Egyptian cotton.

Rice. In prewar years the European bloc countries were substantial importers of free world rice. In 1938 these countries imported well over 200,000 metric tons (milled equivalent). In postwar years, however, they have imported little rice from the free world. In 1953 and 1954 they imported 18,000 metric tons and 30,000 metric tons (milled equivalent) respectively. Though the rice requirements of the European bloc are small in relation to Communist China's total rice production (according to Communist Chinese sources, rice production in 1954 totalled about 45 million metric tons² milled equivalent), there is no evidence that Communist China has actually met European bloc demand in this commodity.³ Shipments of rice from Communist China to the European bloc countries have never been of such magnitude as to be separately specified in ships' manifests. Overland shipments appear unlikely. It therefore seems possible that the European bloc would be a potential market for substantial amounts of Egyptian rice (assuming an Egyptian rice surplus).

1. There are alternative free world sources of Egyptian-type cotton, such as the Sudan, however.
2. The Communist Chinese figure, on a paddy basis, was about 70 million metric tons. The figure given here, on a milled equivalent basis, was computed by assuming a milled equivalent rate of 65 percent.
3. Rice does appear as an export of Communist China in one or two trade agreements with bloc countries, but this is not necessarily significant. Shipments of commodities listed in bloc trade agreements are often nominal or non-existent.

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Table 8. SINO-SOVIET BLOC: COTTON OUTPUT AND TRADE
(In thousands of bales) ^{a/}

	Production	Exports to Bloc	Imports from Bloc	Exports to free world	Imports from free world	Available for domestic consumption
USSR ^{b/}						
1954-55	5,800	1,110	0	290	70	4,470
1953-54	5,500	1,100	0	150	10	4,260
1952-53	5,000	1,080	0	20	170	4,070
1951-52	4,500	1,050	0	0	60	3,510
1950-51	4,000	950	0	0	negl.	3,050
1949-50	3,000	650	0	0	250	2,600
Average						
1934-38	3,080	<u>c/</u>	<u>c/</u>	10 <u>c/</u>	170 <u>c/</u>	3,240
European Satellites ^{b/}						
1954-55	160	0	1,060	0	250	1,470
1953-54	140	0	1,120	0	200	1,460
1952-53	130	0	1,080	0	210	1,420
1951-52	100	0	1,020	0	210	1,330
1950-51	70	0	950	0	210	1,230
1949-50	60	0	680	0	350	1,090
Average						
1934-38	40	0	<u>c/</u>	0	910 <u>c/</u>	950
Communist China						
Average						
1952/53-1954/55	3,100 ^{b/} -5,400 ^{e/}	0	0	0	170	-
1951-52	-	0	0	0	330	-
1950-51	-	50	0	0	230	-
1949-50	-	0	0	0	230	-
Average						
1934-38	3,100 ^{b/}	<u>c/</u>	0 <u>c/</u>	240 <u>c/</u>	380 <u>c/</u>	-
Average						
1931-37	3,700 ^{f/}	n.a.	n.a.	n.a.	n.a.	-

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Footnotes for Table 8

- a. Bales of 478 pounds net weight. With the exception of Chinese production figures, all figures are rounded to nearest ten thousand. Chinese production figures are rounded to nearest hundred thousand.
- b. Source: International Cotton Advisory Committee. The US Department of Agriculture publishes production and trade data for cotton, but with much less detail than those cited here. Over-all totals in the two series are usually quite close together. Data on bloc production and intra-bloc trade are rough estimates and subject to a wide margin of error. No accurate, systematic data on this subject are available.
- c. World trade in 1934-38 is put in free world columns; no breakdown is available as between bloc and free world countries.
- d. In the prewar period the whole of Germany is included; in the postwar period only East Germany.
- e. Source: Official Chinese Communist statistics.
- f. Source: Official Nationalist Chinese statistics.

Note: There are conflicting estimates of Communist China's cotton production in both postwar and prewar periods. The lower postwar figures given above are ICAC estimates. The higher ones are from official Chinese Communist sources. Though the Communist Chinese figures undoubtedly overstate production, they are considered closer to actuality than the ICAC estimates. It should be noted that in the prewar period ICAC production figures are lower than those of the Nationalist Chinese Government.

n.a. - Not available

negl. - Negligible (less than 5,000 bales).

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Table 9. AVAILABILITY OF COTTON FOR USE IN EGYPT
(In kilograms per capita)

	US	Western Europe	Eastern Europe (including the USSR)
1938	9.7	4.0	3.1
1948	13.3	3.7	2.1
1949	10.7	3.8	2.5
1950	12.3	4.3	2.5
1951	14.2	4.5	2.7
1952	12.2	4.0	2.9

Source: pp. 11-12, FAO Commodity Series, Bulletin No. 25, March 1954.

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Table 10. EUROPEAN BLOC IMPORTS OF COTTON FROM EGYPT
AND OTHER FREE WORLD COUNTRIES
(In million of current dollars)

	Egypt	Other Free World Countries	Imports from Egypt as percent of total imports from the free world
1951	27.3	50.1	35 percent
1952	61.8	43.9	59 percent
1953	37.1	19.2	66 percent
1954	39.4	16.9	70 percent

Source: Department of Commerce, BFC.

Note: Egypt's share of bloc imports is larger in terms of value than in terms of quantity. This is due to the high unit value of Egyptian cotton relative to other types.

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B. Egyptian Demand for Bloc Exports

Egypt has a substantial demand for a wide range of goods produced within the bloc, the most important of which are listed below:

(1) Arms.

(2) Machinery: in particular, medium industrial machinery, such as that required for clothing and shoe factories; thermal-electric and hydro-electric plants, pumps for irrigation and potable water projects, railway, communications and road building equipment.

(3) Petroleum.

(4) Wheat: though the government is attempting to expand wheat production, it is likely that Egypt will have at least some wheat deficit over the next few years.

(5) Coal: a large steel mill is currently under construction at Helwan. When this and other Egyptian industrial projects are completed, Egyptian coal requirements will increase and coal may become an important bloc export to Egypt.

(6) Timber.

From the standpoint of quantity, there is no doubt but that the bloc can, if it chooses, meet Egypt's demand in each of the above categories. Bloc production of all these items is large, relative to Egyptian demand. Some of these items could be supplied to Egypt more easily (with less internal bloc sacrifice) than others, however. In the case of arms, it is known that the USSR has been engaged in a program of modernization, and it presumably has a surplus of older equipment which could be supplied to Egypt with little sacrifice. Bloc petroleum exports to the free world have been increasing rapidly over the last few years, and exports to Egypt could undoubtedly be expanded with little internal sacrifice. As in the case of petroleum, bloc timber exports have risen sharply over the last few years, and exports to Egypt could probably increase with little difficulty internally.

In the case of wheat, however, the situation is not as clear. Prior to 1954 bloc imports from the free world were negligible; import deficits of East Germany, Czechoslovakia, and Poland were covered by shipments from within the bloc. In 1954 and the first half of 1955, however, substantial imports of free world wheat were made by Poland, Hungary and Rumania. At the same time exports declined and an overall net import for the satellites occurred in the 1954-55 season. However, expansion of wheat acreage is under way in the USSR. It is, therefore, conceivable that substantial wheat exports to Egypt might work some hardship on the bloc at the present time, though perhaps not in a year or two.

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The situation with respect to coal, as in the case of wheat, is not clear. Polish coal exports to the free world (Poland is the bloc's largest coal exporter) have been declining over the last few years, apparently owing to increased internal bloc consumption. Any substantial increase in exports to Egypt might have to be made at the expense of exports to other free world countries or internal bloc consumption.

As for machinery, bloc output is large, exceeding that of any of the major Western European nations, but until recently was almost entirely kept within the bloc as a matter of policy. However, the offers of equipment to free world nations, and accompanying offers of credits, indicate that this policy has shifted to some degree. Implementation of these offers in a few countries, and according to some reports in Egypt, suggest that such exports may expand. Also, recently initiated programs of modernization in the USSR might make used or obsolete equipment increasingly available for export.

From the standpoint of quality, there is no doubt but what the bloc can meet Egypt's demand in arms, wheat, timber, coal and petroleum. In the case of machinery, the situation is less certain. There has been evidence of technological deficiency in machinery of bloc origin, even by Egyptian standard; for example, it was recently reported that a deal involving the delivery of a diesel power plant to Egypt from East Germany failed to materialize because the fuel consumption of diesel engines manufactured in East Germany is too high by international standards. Much will depend on the terms on which equipment is offered, and on the strength of Egypt's ambitions for rapid industrialization.

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Table A-1 VARIATIONS IN EGYPT'S TRADE WITH THE SOVIET BLOC: 1948-54 AND JANUARY-NOVEMBER 1955
(In millions of US dollars)

Increase (+) or decrease (-) in level of trade (over preceding period)	Egyptian Imports			Egyptian Exports		
	Total bloc	USSR	Other bloc	Total bloc	USSR	Other bloc
Annual 1948/Annual 1947	+ 46.6	+ 40.0	+ 6.6	+ 48.3	+ 49.8	- 11.5
Annual 1949/Annual 1948	- 46.4	- 43.8	- 2.6	- 12.4	- 35.8	+ 23.4
Annual 1950/Annual 1949	+ 15.0	+ 14.4	+ 0.6	- 12.1	+ 11.1	- 23.2
Annual 1951/Annual 1950	+ 10.6	+ 3.4	+ 7.2	+ 7.8	- 18.0	+ 25.8
Annual 1952/Annual 1951	+ 3.1	+ 10.8	- 7.7	+ 18.1	+ 21.6	- 3.5
Annual 1953/Annual 1952	- 7.7	- 17.0	+ 9.3	- 24.7	- 16.9	- 7.8
Annual 1954/Annual 1953	- 11.7	- 7.5	- 4.2	+ 8.0	- 6.5	+ 14.5
Sum of annual changes 1947-54 (added without regard to sign)	141.1	136.9	38.1	131.4	159.7	99.7
January-November 1955/ January-November 1954	+ 7.1	+ 0.8	+ 6.3	+ 39.5	+ 14.4	+ 25.1

Source: Department of Commerce, BFC.

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Table A-2 IMPORTS OF WHEAT INTO EGYPT, 1938, 1946-54
(Quantities in metric tons)

Year	Total wheat imports	Percent of total value of all imports	Quantity imported from bloc	Wheat from bloc as % of total wheat imports
1938	808	a/	0	--
1946	94,818	2.6	0	--
1947	4,006	a/	0	--
1948	282,624	7.3	216,905	76.7
1949	457,906	8.0	0	--
1950	460,253	6.8	102,136	22.2
1951	1,027,765	12.1	272,538	26.5
1952	710,442	14.9	230,153	32.4
1953	486,951	12.7	136,280	28.0
1954	9,590	0.2	0	--

a. Less than 0.05 percent.

Sources: Egyptian trade statistics for 1938 and 1946-51; Department of Commerce Statistics, BFC, for 1952-54

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Table A-3. IMPORTS OF TIMBER^a INTO EGYPT, 1938, 1948-54
(Quantities in metric tons)

Year	Total timber imports a/	Percent of total value of all imports	Quantity imported from bloc	Timber from bloc as % of total timber imports
1938	216,115	3.0	119,333	55.2
1948	120,524	2.1	40,714	33.8
1949	301,066	4.1	62,321	20.7
1950	328,690	3.6	37,940	11.5
1951	316,618	3.5	34,051	10.8
1952	142,697	2.3	41,436	29.0
1953	195,188	3.5	70,629	36.2
1954	218,526	1.4	71,957	32.9

a. Total imports of squared or sawn timber, all sizes (Egyptian tariff Nos. 384 and 385).

Sources: Egyptian trade statistics for 1938 and 1948-51; Department of Commerce Statistics, BFC, for 1952-54

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Table A-4 IMPORTS OF TOBACCO INTO EGYPT, 1938, 1947-54
(Quantities in metric tons)

Year	Total tobacco imports	Percent of total value of all imports	Tobacco from bloc	Tobacco from bloc as % of total tobacco imports
1938	5,229	1.5	1,518	29.0
1947	10,192	4.0	405	4.0
1948	9,984	2.1	1,422	14.2
1949	12,286	2.4	1,090	8.9
1950	11,745	2.1	986	8.4
1951	11,445	1.6	1,079	9.4
1952	11,138	2.1	940	8.4
1953	10,707	2.6	758	7.1
1954	11,110	2.9	954	8.6

Sources: Egyptian trade statistics for 1938, 1947-51; Department of Commerce Statistics, BEC, for 1952-54

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Table A-5 IMPORTS OF COTTON PIECE GOODS INTO EGYPT, 1938, 1948-54
(Quantities in metric tons)

Year	Total imports	Percent of total value of all imports	Quantity imported from bloc	Piece goods from bloc as % of total imports of piece goods
1938	16,956	7.7	1,189	7.0
1948	3,174	2.4	253	7.3
1949	3,675	2.1	439	11.9
1950	4,502	2.1	1,018	22.6
1951	2,749	1.3	510	18.6
1952	1,782	1.0	555	31.1
1953	1,732	1.2	562	32.4
1954	623	0.6	149	23.9

Source: Egyptian trade statistics for 1938, 1948-51; Department of Commerce Statistics, BFC, for 1952-54.

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Table A-6 MAJOR COMMODITIES IMPORTED FROM INDIVIDUAL BLOC COUNTRIES BY EGYPT,
1938, 1948, 1953-54
(As percentages of total values of imports from individual countries)

Bloc Exporting Country	Value imports (000 \$)	Percentage of value listed	Commodities or Commodity Groups ^{a/}					Other specified items
			Petroleum products	Wheat	Textiles ^{b/}	Tobacco	Forest products	
Bulgaria								
1938	908	86.0	—	—	—	47.8	—	38.2 ^{o/}
1948	1,951	98.7	—	—	—	93.7	—	—
1953	2,310	84.0	—	84.0	—	—	—	—
1954	250	57.2	—	—	—	12.8	16.4	28.0 ^{o/}
China								
1938	741	78.1	—	—	39.7	38.4	—	—
1948	767	73.4	—	—	—	61.4	—	12.0 ^{d/}
1953	665	75.8	—	—	6.2	69.6	—	—
1954	786	95.4	—	—	26.1	69.3	—	—
Czechoslovakia								
1938	2,747	74.6	—	—	34.3	—	8.2	32.1 ^{e/}
1948	9,409	76.3	—	—	23.0	—	20.5	32.8 ^{f/}
1953	9,358	83.7	—	—	16.4	—	54.2	13.1 ^{g/}
1954	7,853	78.0	—	—	12.1	—	49.8	16.1 ^{h/}
Hungary								
1938	468	76.5	—	—	30.5	—	—	46.0 ^{k/}
1948	2,429	92.5	—	—	40.3	—	10.7	41.5 ^{l/}
1953	3,184	83.6	—	—	26.8	—	—	56.8 ^{m/}
1954	3,662	46.5	—	—	9.0	—	—	37.5 ^{n/}
Poland								
1938	1,669	94.5	—	—	22.6	—	25.4	46.5 ^{o/}
1948	1,018	86.8	—	—	—	—	—	86.8 ^{p/}
1953	5,803	74.7	—	27.7	—	—	—	47.0 ^{q/}
1954	1,353	83.2	—	—	—	—	12.9	70.3 ^{r/}

Table A-6 MAJOR COMMODITIES IMPORTED FROM INDIVIDUAL-BLOC COUNTRIES BY EGYPT,
1938, 1948, 1953-54 (continued)
(As percentages of total values of imports from individual countries)

Bloc Exporting Country	Value imports (000 \$)	Percentage of value listed	Commodities or Commodity Groups ^a					Forest products	Other specified items
			Petroleum products-	Wheat	Textiles	Tobacco			
Rumania									
1938	6,655	98.0	64.9	—	—	—	—	33.1	—
1948	2,151	92.9	—	—	—	—	—	92.9	—
1953	3,007	91.1	—	—	—	—	—	91.1	—
1954	4,979	91.9	29.8	—	—	—	—	62.1	—
Soviet Zone of Germany									
1953	168	54.8	—	—	—	—	—	14.3	40.51/32
1954	1,413	73.3	—	—	—	—	—	5.6	67.72/32
USSR									
1938	2,286	90.8	48.3	—	—	—	—	42.5	—
1948	46,207	90.4	—	90.4	—	—	—	—	—
1953	14,133	96.4	—	90.6	—	—	—	5.8	—
1954	6,650	77.6	35.4	—	—	—	6.9	35.3	—

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- a. No entries have been made in categories shown if imports accounted for less than 5 percent of total value.
- b. Primarily cotton piece goods and other textile manufactures from European Soviet bloc; natural raw silk yarn from China.
- c. Cheese.
- d. Tea.
- e. Manufactures of metal, 14.0 percent; machinery and equipment, 8.6 percent; glass, crystal, and ceramic wares, 9.5 percent.
- f. Machinery and equipment, 10.9 percent; glass, crystal, and ceramic wares, 21.9 percent.
- g. Glass, crystal, and ceramic wares.
- h. Metal manufactures, glass and crystal.
- i. Machinery and equipment.
- j. Sugar and sugar preparations, su phate of ammonia, machinery and equipment.
- k. Manufactures of metal, 14.7 percent; machinery and equipment, 14.3 percent; nitrate of ammonia, 17.0 percent.
- l. Manufactures of metal, 33.4 percent; machinery and equipment, 8.1 percent.
- m. Manufactures of metal, 10.3 percent; machinery and equipment, 10.7 percent; cottonseed oil, 35.8 percent.
- n. Sugar and preparations, machinery and railroad equipment
- o. Coal, 35.4 percent; manufactures of metal, 11.1 percent.
- p. Coal, 35.2 percent; glass and glass manufactures, 12.1 percent; caustic soda, 18.6 percent; zinc oxide, 11.3 percent; manufactures of metal, 9.6 percent.
- q. Refined beet sugar.
- r. Beet sugar, meat and meat preparations, glass and glass articles, metal manufactures.

Source: 1938 and 1948 from Egyptian trade statistics; 1953-54 from Department of Commerce Statistics, BFC.

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Table A-7 IMPORTS INTO EGYPT FROM BULGARIA, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	908	100.0	1,951	100.0	2,310	100.0	250	100.0
Cheese	347	38.2	a/	--	0	--	70	28.0
Tobacco	434	47.8	1,926	98.7	0	--	32	12.8
Wheat	0	--	0	--	1,940	84.0	0	--
Timber	18	2.0	0	--	50	2.2	41	16.4
All other imports	127	12.0	25	1.3	320	13.8	107	42.8

a. Less than \$500.

Source: For Tables A-7 through A-14: Egyptian Ministry of Finance, Statistical Department, Annual Statement of Foreign Trade, 1938, Vol. 2, 1949.
Annual Statement of Foreign Trade, 1948-49.
Department of Commerce Statistics, BFC.

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Table A-8 IMPORTS INTO EGYPT FROM CHINA, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	741	100.0	767	100.0	665	100.0	786	100.0
Tea	6	0.8	92	12.0	3	0.5	0	--
Tobacco	285	38.4	471	61.4	463	69.6	545	69.3
Silk yarn	294	39.7	21	2.7	41	6.2	205	26.1
All other imports	156	21.1	183	23.9	158	23.7	36	4.6

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Table A-9 IMPORTS INTO EGYPT FROM CZECHOSLOVAKIA, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	2,747	100.0	9,109	100.0	9,358	100.0	7,853	100.0
Timber, wood, etc.	88	3.2	1,374	14.6	4,111	43.9	2,786	35.5
Paper and board	138	5.0	552	5.9	961	10.3	1,121	14.3
Cotton piece goods	361	13.1	488	5.2	779	8.3	389	5.0
Other textile mfrs.	582	21.2	1,676	17.8	754	8.1	561	7.1
Footwear, all types	94	3.4	0	--	10	0.1	4	0.1
Glass, Crystal, etc.	159	5.8	1,184	12.6	855	9.1	495	6.3
Clay and ceramic wares	101	3.7	875	9.3	374	4.0	234	3.0
Metal manufactures	385	14.0	456	4.8	253	2.7	767	9.8
Railroad equipment	116	4.2	0	--	0	--	0	--
Other machinery	103	3.7	675	7.2	259	2.8	269	3.4
Automobiles	18	0.7	347	3.7	57	0.6	34	0.4
All other imports	602	21.9	1,784	18.9	945	10.1	1,193	15.2

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Table A-10 IMPORTS INTO EGYPT FROM EAST GERMANY, 1952-54

(Values in thousands of US dollars)

Item	1952		1953		1954	
	Value	Percent	Value	Percent	Value	Percent
Total Imports	130	100.0	168	100.0	1,413	100.0
Sugar	--	--	--	--	347	24.6
Sulphate of ammonia	--	--	--	--	291	20.6
Paper and board	24	18.5	24	14.3	79	5.6
Articles of glass	16	12.3	1	0.6	9	0.6
Metal manufactures	10	7.7	n a	--	3	0.2
Machinery and equipment	23	17.7	68	40.5	318	22.5
All other imports	57	43.8	75	44.6	366	25.9

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Table A-11 IMPORTS INTO EGYPT FROM HUNGARY, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	2,225	100.0	2,429	100.0	3,184	100.0	3,662	100.0
Sugar and sugar preparations	--	--	--	--	--	--	804	22.0
Nitrate of ammonia	378	17.0	0	--	0	--	0	--
Wood, timber, etc.	0	--	259	10.7	0	--	13	0.4
Cotton piece goods	439	19.7	693	28.5	582	18.3	90	2.5
Other textile mfrs.	240	10.8	286	11.8	270	8.5	238	6.5
Metal manufactures	328	14.7	810	33.4	326	10.3	57	1.6
Engines and parts	102	4.6	0	--	6	0.2	1	--
Other machinery and equipment, non-electrical	40	1.8	127	5.2	0	--	56	1.5
Electrical machinery and equipment	32	1.4	32	1.3	164	5.2	123	3.4
Electric lamps	55	2.5	38	1.6	38	1.2	32	0.9
Railroad equipment	89	4.0	0	--	129	4.1	357	9.7
All other imports	522	23.5	184	7.6	1,669 ^a	52.4	1,891 ^b	51.6

a. Includes cottonseed oil valued at \$1,139,000 (35.8 percent of total value) and goods designated "other articles" valued at \$236,000.

b. Includes unspecified category valued at \$1,208,000 (33.0 percent of total imports)

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Table A-12 IMPORTS INTO EGYPT FROM POLAND, 1938, 1948, 1953-54
(Values in thousands of US dollars)

	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	1,669	100.0	1,018	100.0	5,803	100.0	1,353	100.0
Coal	590	35.4	358	35.2	0	--	0	--
Wheat	0	--	0	--	1,610	27.7	0	--
Beet sugar	0	--	0	--	2,729	47.0	485	35.8
Meat and meat preparations	7	0.4	0	--	102	1.8	172	12.7
Caustic soda	0	--	189	18.6	2	a/	0	--
Zinc oxide	0	--	115	11.3	1	a/	0	--
Wood, timber, etc.	396	23.7	29	2.8	227	3.9	131	9.7
Paper and board	28	1.7	0	--	101	1.7	43	3.2
Cotton piece goods	318	19.1	0	--	145	2.5	4	0.3
Other textile mfrs.	59	3.5	32	3.1	81	1.4	33	2.4
Glass and glass articles	0	--	123	12.1	273	4.7	198	14.6
Metal manufactures	185	11.1	98	9.6	66	1.1	98	7.2
All other imports	86	5.2	74	7.3	466	8.0	189	14.0

a. Less than 0.05 percent.

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Table A-13 IMPORTS INTO EGYPT FROM RUMANIA, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	6,655	100.0	2,151	100.0	3,007	100.0	4,979	100.0
Benzine	402	6.0	0	--	0	--	187	3.8
Kerosene	2,801	42.1	0	--	0	--	1,183	23.8
Lubricating oils	390	5.9	0	--	0	--	0	--
Fuel oils	727	10.9	0	--	0	--	110	2.2
Timber and wood	2,205	33.1	1,998	92.9	2,740	91.1	3,092	62.1
All other imports	130	2.0	153	7.1	267	8.9	407	8.2

Source: UNCTAD Yearbook of Trade Statistics, 1955, p. 100.

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Table A-14 IMPORTS INTO EGYPT FROM THE USSR, 1938, 1948, 1953-54
(Values in thousands of US dollars)

Item	1938 ^a		1948		1953		1954	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Total Imports	2,358	100.0	46,207	100.0	14,113	100.0	6,650	100.0
Wheat	0	--	41,788	90.4	12,784	90.6	0	--
Tobacco	37	1.6	165	0.4	376	2.7	459	6.9
Kerosene	1,050	44.5	0	--	0	--	2,351	35.4
Fuel oils	89	3.8	0	--	0	--	0	--
Sulphate of ammonia	125	5.3	0	--	0	--	0	--
Wood and products	1,003	42.5	1,972	4.3	818	5.8	2,346	35.3
All other imports	54	2.3	2,282	4.9	135	0.9	1,494	22.5

a. Includes imports from Estonia, Latvia, and Lithuania.

b. Includes unspecified category valued at \$1,284,000 (19.3 % of total imports)

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